



Results Q1 2010

12 May 2010

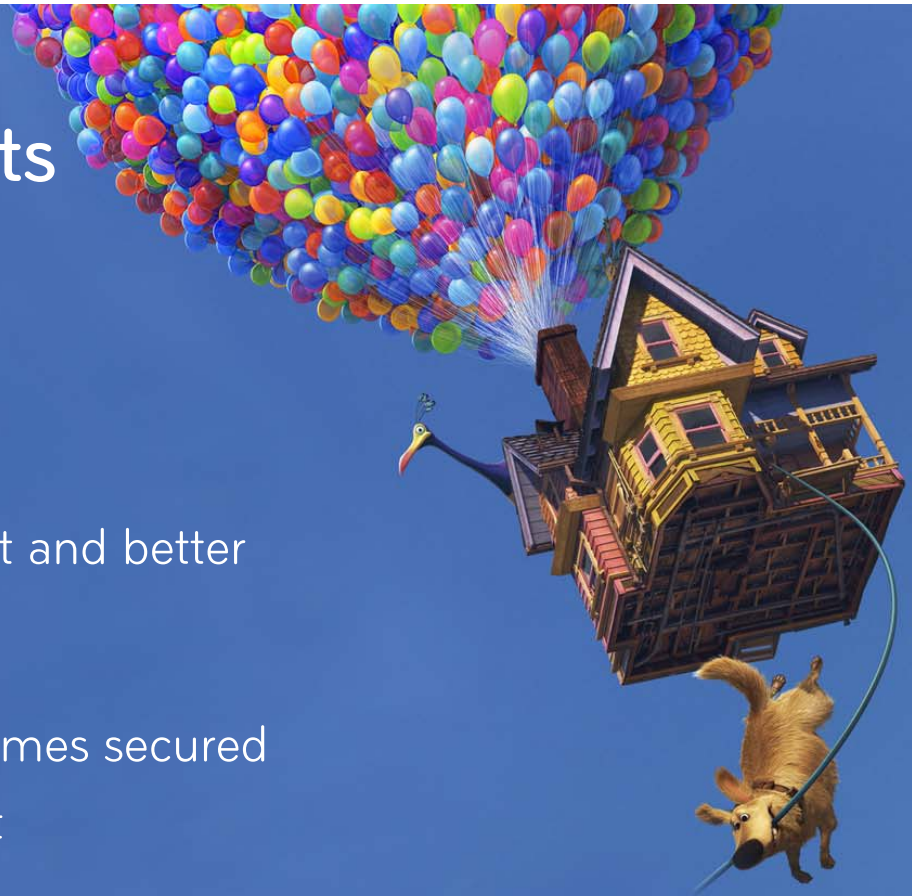


Q1 Highlights

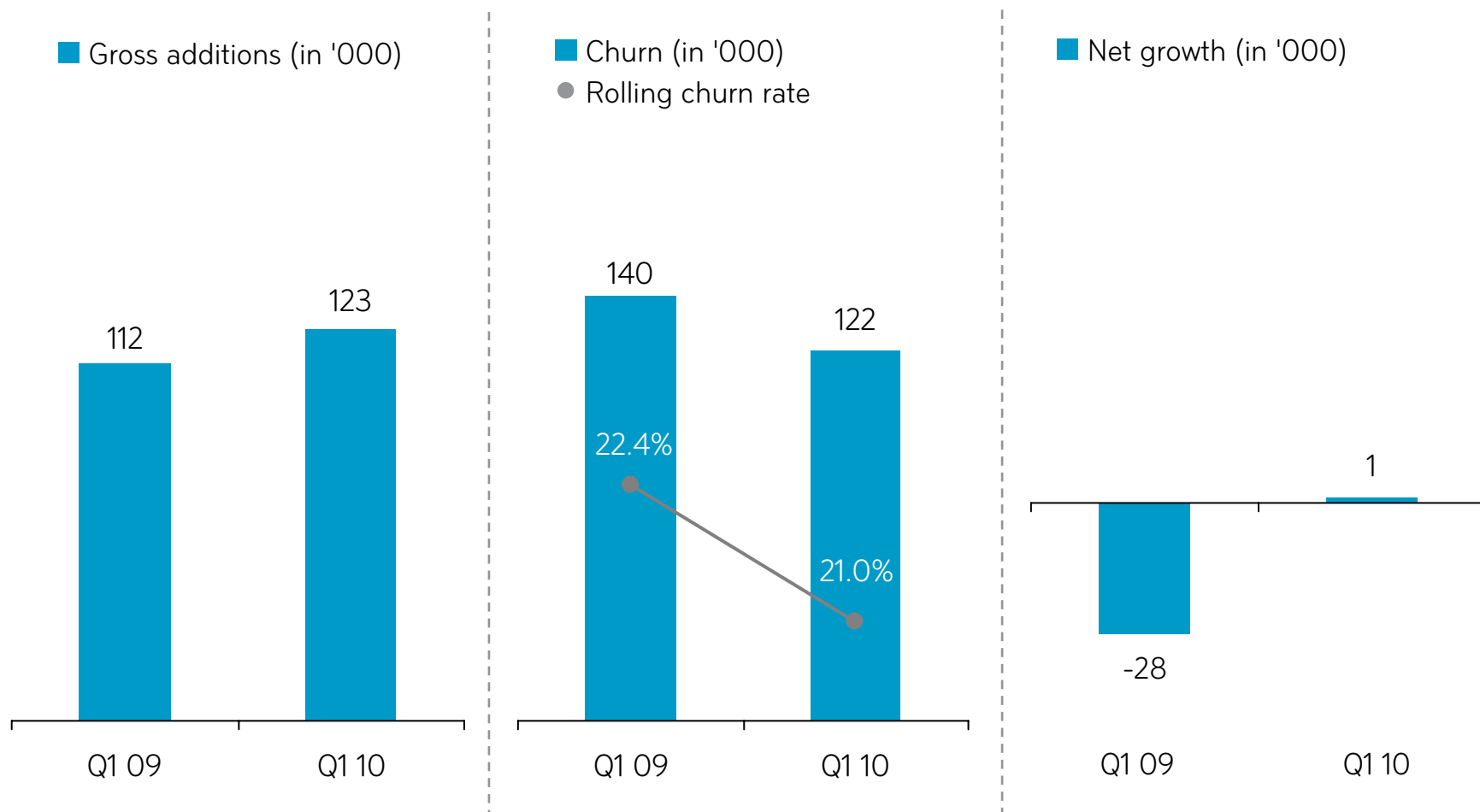
- Subscription revenues up 20.2% year on year
- Gross additions up 10.1% year on year
- 12 months rolling churn rate down 1.4 points year on year; quarterly annualized churn rate now below 20%
- ARPU increased further to €28.85 (up €4 year on year)

Operational Achievements

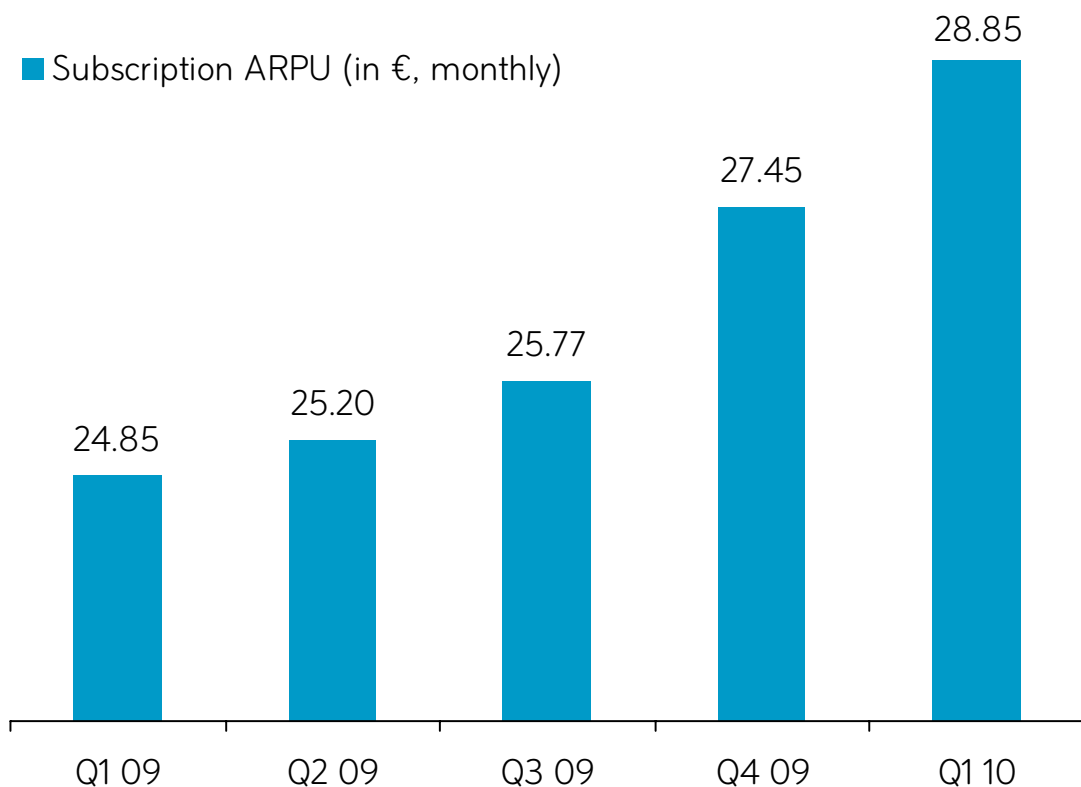
- New marketing campaign
 - Launched in April
 - Communicating how Sky is different and better
- Austrian Fußball Bundesliga
 - Exclusive live pay-TV rights to all games secured
 - Newly expanded three year contract
- NetCologne cooperation
 - Sales and marketing cooperation with cable network provider NetCologne
 - Sky subscription as part of its triple-play service



Subscriber Development



Subscription ARPU



- Continued strong ARPU growth to €28.85 in Q1 2010 from €24.85 in Q1 2009.



Subscribers and Key Metrics

'000	Q1 09	Q2 09	Q3 09	Q4 09	Q1 10
Direct subscribers at beginning	2,399	2,371	2,364	2,431	2,470
Gross additions	112	117	201	167	123
Churn	-140	-123	-135	-128	-122
Net growth	-28	-7	67	39	1
Direct subscribers at end	2,371	2,364	2,431	2,470	2,471
of which Flex	68	38	12	3	1
Subscription ARPU (in €, monthly)	24.85	25.20	25.77	27.45	28.85
Churn rate (in %, 12 months rolling)	22.4	22.4	23.3	21.6	21.0
Churn rate (in %, quarterly annualized)	23.5	20.8	22.5	21.0	19.8
Wholesale subscribers at end	710	334	140	131	132



Revenues and Costs

in €m	Q1 10	Q1 09	Change (absolute)	Change (in %)
Revenues				
Subscription	213.8	177.8	36.0	20.2
Hardware	6.6	20.3	-13.7	-67.6
Wholesale	3.4	16.5	-13.1	-79.5
Advertising	3.4	3.1	0.3	10.0
Other	7.6	15.0	-7.4	-49.5
Total	234.7	232.7	2.1	0.9
Costs (including depreciation)				
Program	195.3	162.1	33.2	20.5
Technology	37.0	34.0	3.0	9.0
Hardware	9.1	21.0	-11.9	-56.5
Customer service and other cost of sales	16.2	11.3	4.9	43.2
Selling expenses	32.9	22.4	10.5	46.9
General and administrative expenses	20.2	20.8	-0.6	-2.9
Other operating expenses/income	-1.3	5.8	-7.2	>-100
Total	309.4	277.4	32.0	11.6
Depreciation included	10.2	14.9	-4.7	-31.5
Costs (excluding depreciation)	299.2	262.5	36.7	14.0
EBITDA	-64.5	-29.8	-34.7	>-100



Results

in €m	Q1 10	Q1 09	Change (absolute)	Change (in %)
Revenues	234.7	232.7	2.1	0.9
Operating expenses	299.2	262.5	36.7	14.0
EBITDA	-64.5	-29.8	-34.7	>-100
Depreciation and amortization	10.2	14.9	-4.7	-31.5
Amortization of subscriber base	12.3	12.2	0.1	0.5
EBIT	-87.0	-56.9	-30.0	-52.8
Financial result	-9.1	-9.4	0.3	3.2
Result before taxes	-96.1	-66.4	-29.7	-44.8
Income taxes	0.9	13.7	-12.8	-93.7
Result for the period	-97.0	-80.0	-16.9	-21.2



Cash Flow and Net Debt

in €m	Q1 10	Q1 09
Cash flow from operating activities	-62.3	-14.2
Cash flow from investing activities	-17.3	-6.3
Cash flow from financing activities	76.5	-34.1
Cash flow	-3.2	-54.6

in €m	31.03.10	31.12.09
Cash and cash equivalents	4.9	8.1
Net debt	139.9	162.4





Our Mission:

To deliver the best Entertainment
whenever and wherever you turn on.

Innovation Initiatives

- Sky+ HDTV digital video recorder
 - Starting in May 2010
 - Tailored to Sky programming
 - For rental and including installation
- Sky Multiroom
 - Launches this summer
 - Use second smartcard with an additional receiver for a discounted charge



Expanding the HD Leadership

- Three additional TRUE HD channels
- Sky Sport HD2, Sky Cinema Hits HD and Sky Action HD starting in August
- Sky HD is already the most comprehensive HD offer in the market
- Expanding the Sky HD service to ten channels
- Sky is the only place to watch all 64 World Cup matches live and in HD
- More than 18 million HD ready TV sets in Germany and Austria



Sky Services on Mobile Devices



Ready for 3D





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Questions & Answers

